

Message Text

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ACTION FMC-04

INFO OCT-01 ARA-16 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

EB-11 INR-10 NSAE-00 RSC-01 CG-00 COA-02 DLOS-06

SWF-02 AID-20 L-03 DRC-01 /077 W

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R 101659Z APR 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 3376

UNCLAS CARACAS 03197

PASS TO: R. GAGE, MARITIME ADMINISTRATION

E.O. 11652: N/A

TAGS: ETRN VE

SUBJECT: PORT DETENTION SURCHARGE

REF: STATE 070545, CARACAS 1381

1. ACCORDING TO U.S. FLAG REPRESENTATIVES HERE, LATIN AMERICA PACIFIC COAST CONFERENCE ESTABLISHED A TWENTY PERCENT PORT DETENTION SURCHARGE ON ALL CARGOES TO AND FROM VENEZUELA, EFFECTIVE MARCH 18. SURCHARGE APPLICABLE TO MARACAIBO LATER REDUCED TO TEN PERCENT, EFFECTIVE MAY 1. CURRENT CONDITIONS AT LA GUAIRA SEE ALL BERTHS OCCUPIED CONTINUOUSLY WITH ONE OR TWO SHIPS GENERALLY AT ANCHOR AWAITING BERTHS. WAITING TIME APPROXIMATELY TWO DAYS. DOCK AREA EXTREMELY CONGESTED BY CARGOES TO EXTENT THAT PORT PRODUCTION REDUCED BY FIFTY TO SEVENTY-FIVE PERCENT. REASONS FOR CONGESTION INCLUDE EXCESSIVE DELAYS IN CUSTOMS FORMALITIES, INADEQUATE AND/OR UNAVAILABLE SPACE AND EXCESSIVE QUANTITIES OF DISCHARGED MATERIALS ON THE DOCKS SUCH AS BROKEN DOWN PALLETS, TORN BAGS, LUMBER SCRAP AND OTHER SCRAP, AS WELL AS CORRUPTION AND ADMINISTRATIVE INEFFICIENCIES. ALL BERTHS PUERTO CABELLO HAVE BEEN OCCUPIED DURING PAST FEW DAYS WITH NO GENERAL CARGO BERTHS AVAILABLE THIS TIME. TWO TO FIVE BULK CARRIERS CONTINUALLY AWAITING BERTHS. PRINCIPAL REASON FOR CONGESTION PUERTO CABELLO DUE TO LACK OF ROLLING STOCK AND OTHER MECHANICAL

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CARGO HANDLING EQUIPMENT INCLUDING CRANES. CONGESTION AT BOTH LA

GUAIRA AND PUERTO CABELLO EXPECTED TO BECOME MORE CRITICAL DUE TO HOLY WEEK. MARACAIBO IS "FLUENT" WITH NO CONGESTION PROBLEMS; LITTLE CARGO MOVES BETWEEN THIS PORT AND PACIFIC COAST U.S. PORTS:

2. ON OTHER HAND, VIEW EXPRESSED BY OPERATIONS MANAGER OF VENEZUELAN LINE (CAVN) IS THAT AS OF LATE YESTERDAY AFTERNOON, APRIL 9, THERE WAS NO CONGESTION AT EITHER LA GUAIRA OR PUERTO CABELLO AND THAT CERTAIN MARACAIBO IS NOT, AND HAS NOT BEEN, CONGESTED. ON THE AFTERNOON OF APRIL 9 THERE WERE NO SHIPS AWAITING BERTHS AT LA GUAIRA AND ONLY ONE BULK CARRIER AWAITING BERTH AT PUERTO CABELLO. IN VIEW OF THIS, CAVN PLANS FORMALLY PETITION U.S. ATLANTIC AND GULF, VENEZUELA AND ANTILLES CONFERENCE, OF WHICH THEY ARE MEMBERS, TO ELIMINATE CURRENTLY EFFECTIVE SURCHARGES LA GUAIRA AND PUERTO CABELLO.

3. IMMEDIATE STEPS BEING TAKEN AND MINISTERIAL LEVEL THROUGH IMPLEMENTATION VARIOUS EMERGENCY MEASURES WITH AIM OF CLEARING CARGOES FROM DOCK AND WAREHOUSE AREAS. ONE SUCH MEASURE CONSISTS OF GRANTING ADDITIONAL OVERTIME TO CUSTOMS OFFICIALS; ANOTHER IS SELECTIVE LIQUIDATION OF IMPORT DUTIES ON LARGE LOTS OF CARGOES. LABOR HAS COOPERATED WITH GOVERNMENT IN EFFORT TO CLEAR PORTS. FOR EXAMPLE, AT PUERTO CABELLO STEVEDORES WORKED ON MARCH 19, A HOLIDAY, AND ON MARCH 17 AND 24, BOTH SUNDAYS.

4. PRESIDENT OF REPUBLIC HAS EXPRESSED NECESSITY OF ESTABLISHING NATIONAL AUTONOMOUS PORTS AUTHORITY WHICH INDICATES GOVERNMENT'S AWARENESS OF PROBLEMS AT NATION'S PORTS. HOWEVER, PREDICTIONS ARE THAT ESTABLISHMENT AND IMPLEMENTATION OF SUCH AN AUTHORITY WILL IN ALL PROBABILITY TAKE MONTHS AND UNTIL SUCH TIME THAT FIRM AND POSITIVE GOVERNMENT ACTION IS INITIATED, CONGESTION WILL CONTINUE.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARINE CARGO, CARGO HANDLING, PORT FACILITIES, PORT CHARGES, GOVERNMENT AGENCIES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CARACA03197
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740083-0149
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740453/aaaabvqw.tel
Line Count: 93
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION FMC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: STATE 070545, CARACAS 1381
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 04 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 JUN 2002 by bryansd0>; APPROVED <19 DEC 2002 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PORT DETENTION SURCHARGE
TAGS: ETRN, VE
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005